

ANALYSIS

This ordinance amends as an urgency measure Chapters 2.121 and 5.44 of the Los Angeles County Code to provide for contracting for physician services when such contracts are feasible and to permit physicians and physician groups to bill and collect fees for directly provided services.

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By 
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SAR:if

11/13/06 (requested)

11/16/06 (revised)

ORDINANCE NO. _____

An ordinance amending Title 2 - Administration and Title 5 - Personnel of the Los Angeles County Code, relating to contracting for physician services when such contracts are feasible and to permitting physicians and physician groups to bill and collect fees for directly provided services.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 2.121.280 is hereby amended to read as follows:

2.121.280 Request for work to be performed by independent contractors.

A. The department recommending the award of a contract for services within the scope of this chapter shall be responsible for the preparation of the invitation for bids or request for proposals. The purchasing agent, county counsel and chief administrative officer shall advise the department, as appropriate, to assure proper format and compliance with this chapter and other legal, budget and policy requirements.

B. If any department determines to contract for services provided by another department, with the exception of services provided by the auditor-controller and county counsel, and believes that work can be performed more economically or more feasibly, by independent contractors, that budgeted funds are available, and that the work will not have an adverse effect on county tort liability, it may, with the consent of the chief administrative officer, solicit or request the purchasing agent to solicit bids or proposals for the work to be performed by independent contractors. The requesting department or purchasing agent shall also solicit a bid or proposal from the department providing the services. If the cost to perform the work is less than \$25,000.00, and if at least three

bids or proposals are obtained from independent contractors, the contract may be awarded by the department head. The obtaining of three bids or proposals from independent contractors, one or more of which is lower than the bid or proposal submitted by the department providing the services, shall constitute a finding by the board of supervisors that the work can be performed more economically by independent contractors.

SECTION 2. Section 2.121.380 is hereby amended to read as follows:

2.121.380 Award of contracts -- Mandatory prerequisites.

A. No contract may be awarded pursuant to this chapter unless all of the following requirements are met:

1. The services provided under the contract will be performed more economically or more feasibly by an independent contractor;
2. The county's ability to respond to emergencies will not be impaired;
3. The award of the contract will not result in the unauthorized disclosure of confidential information;
4. Alternative resources are available so that the services can be obtained from another source in the event of default by the contractor;
5. The award of the contract will not infringe upon the proper role of the county in its relationship to its citizens; and
6. The award of the contract, if financed in whole or in part by federal or state funds, will be in full compliance with all applicable federal and state regulations.

B. In making a recommendation to the board of supervisors for the award of a contract, the department recommending the award shall state in writing that the requirements of this section have been met.

SECTION 3. Section 2.121.420 is hereby amended to read as follows:

2.121.420 Award of contracts -- Board of supervisors finding required.

A. No contract shall be awarded pursuant to this chapter until the board of supervisors has made a finding that the services can more economically or more feasibly be performed by the independent contractor.

B. The department recommending the award of a contract shall provide the board of supervisors, in writing:

1. Those facts which support a finding that the work can be performed more economically or more feasibly by independent contractors;
2. A description of the anticipated scope and cost of the work to be contracted;
3. A statement as to the availability of budgeted funds;
4. A statement as to the possible impact on county tort liability; and
5. A statement concerning the projected employee relations implications.

C. A finding of feasibility under this section 2.121.420 shall be limited only to contracts for physician services.

SECTION 4. Section 5.44.110 is hereby amended to read as follows:

5.44.110 Physicians and other non-physician practitioners -- Collection of professional fees.

A. Except as provided in subsection B, ~~C, or D~~ or E, no physician, dentist, optometrist, podiatrist, medical or dental intern or resident or other person who is an employee, whether compensated or uncompensated, of the county or of the University of Southern California, University of California at Los Angeles, or Charles R. Drew Post-Graduate Medical Schools may bill, charge, or collect on his or her own account professional fees for direct medical or dental patient care furnished by him or her to any patient in a county hospital or other county medical or health facility, including any county hospital designated as a community hospital pursuant to the provisions of Section 14000.2 of the California Welfare and Institutions Code.

B. Notwithstanding subsection A of this section or Section 5.44.020, for each county hospital, the ~~board of supervisors~~ county may contract with a medical group or other legal entity to authorize that medical group or legal entity to bill, charge, and collect for inpatient and outpatient care services provided by the physicians, dentists, optometrists, podiatrists and other licensed or certified non-physician practitioners of such county hospital. The methods and means by which such a medical group or other legal entity bills, charges, or collects for such services and the disposition of all funds so collected shall be as set forth in such a contract.

C. Notwithstanding subsection A of this section, a medical group composed of two or more physicians of a county hospital's medical staff may bill and collect professional fees for the provision by such physicians of specialty or primary care services rendered on the hospital's premises either to enrollees of the county's Community Health Plan or to enrollees of any other health care service plan licensed under the California Health and Safety Code §§ 1340, et seq., with which the county has contracted. The medical group may bill and collect for these services only if a formal agreement executed by the ~~board of supervisors~~ county and by the medical group's lawful representatives expressly authorizes such action. The medical group may bill and receive compensation under such an agreement only for services rendered by its physician during hours that the physician is neither compensated as a county employee nor compensated as a faculty member of the hospital's affiliated medical school.

D. Notwithstanding subsection A of this section, at Martin Luther King, Jr./Drew Medical Center, Rancho Los Amigos National Rehabilitation Center, Olive View-UCLA Medical Center, Los Angeles County+University of Southern California Medical Center, Harbor-UCLA Medical Center, and High Desert Hospital, which have been designated as community hospitals, a private community physician, dentist, or podiatrist, who is not an employee, whether compensated or uncompensated, of the county and who has not otherwise received any form of compensation from the county, either directly or indirectly, for providing services to a particular patient at said medical centers or hospital, may, with the approval of the director of health services, bill, charge, or collect

on his or her own account, for professional fees for direct medical or dental patient care services for such patient if that patient is designated as his or her private patient upon admission or where he or she is called as a consultant to a private patient of another physician.

E. Notwithstanding subsections A or D of this section, a medical group composed of two or more physicians of a county hospital's medical staff, or an individual practitioner on a county hospital's medical staff, may bill and collect professional fees for services directly provided by such medical group or practitioner on the hospital's premises if a formal agreement executed by the county and by the lawful representatives of the medical group or practitioner expressly authorizes such action. The agreement may only permit the medical group or practitioner to bill and collect for services for which the medical group or practitioner is not otherwise compensated by the county, or by a hospital's affiliated medical school.

SECTION 5. This act is an urgency measure necessary for the immediate preservation of the public peace, health, or safety with the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

As a result of recent events, including the notification by the Centers for Medicare and Medicaid Services of its intention to revoke its certification of Martin Luther King-Charles R. Drew Medical Center and Drew University's withdrawal of its ACGME accreditation for its sponsored physician residency programs, the county has an immediate need to contract for certain full-time physicians to best stabilize the county's

health care delivery system and allow for the continued provision of medical services to the community.

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